

1 MINUTES OF THE SPECIAL MEETING

2 OF THE

3 BOARD OF DIRECTORS

4 TRABUCO CANYON WATER DISTRICT

5 MARCH 17, 2010

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7 The Special Workshop of the Board of Directors of the Trabuco Canyon Water  
8 District (TCWD) was called to order by President Safranski at 6:00 p.m.at  
9 Trabuco Canyon Water District's office located at 32003 Dove Canyon Drive,  
10 Trabuco Canyon, California, Teresa Teichman, Assistant Board Secretary,  
11 recorded and transcribed the minutes thereof.

12 **DIRECTORS PRESENT**

13 Mike Safranski, President  
14 Ed Mandich, Vice President  
Matt Disston  
Glenn Acosta

15 **DIRECTORS ABSENT**

16 Jim Haselton

17 **STAFF PRESENT**

18 Don Chadd, General Manager  
Hector Ruiz, District Engineer  
Teresa Teichman, Assistant Board Secretary  
19 Rob Anslow, Board Secretary  
Carl Schoonover, Board Treasurer  
20 Joyce Doran, District Accountant  
Karen Warner, Accounting Specialist

21 **PUBLIC PRESENT - Mike Zizzi**

22 No members of the public were present.

23 **PLEDGE OF ALLEGIANCE**

24 Director Acosta led the Board and staff in the pledge of allegiance.

25 **PUBLIC COMMENTS**

26 Public comments were announced. None were received.

27 **ORAL COMMUNICATION**

28 Oral communication was announced. There was no oral communication.

1 **DIRECTOR'S COMMENTS**

2 There were no comments.

3 **REPORT FROM THE GENERAL MANAGER**

4 Mr. Don Chadd, General Manager, introduced Michael Zizzi, Certified  
5 Public Accountant presenting Trabuco Canyon Water District's (TCWD) Draft  
6 financial statements for June 30, 2009 and 2008.

7 **ACTION CALENDAR**

8 **ITEM NO. 1A) REVIEW OF FY 2008-2009 DRAFT AUDIT**

9 Mr. Michael Zizzi, C.P.A., provided a power point presentation relating  
10 to the fiscal year 2008 - 2009 draft audit. Mr. Zizzi stated his firm has  
11 audited the financial statements of TCWD in accordance with auditing standards  
12 applicable to financial audits contained in Government Auditing Standards.

13 Mr. Zizzi provided discussion and analysis of the District's financial  
14 statements. The statement of net assets was discussed including the District's  
15 assets and liabilities. Also discussed were assessments of the liquidity and  
16 financial flexibility of the District along with evaluation of the capital  
17 structure of the District. The statement of revenue and expenses were also  
18 reviewed.

19 The Board received and filed the presentation.

20 **ITEM NO. 1B) MIDYEAR REVIEW OF FY 2009-2010 BUDGET**

21 Mr. Chadd provided an overview of the fiscal year 2009/2010 budget as of  
22 information received through 12/31/09. Each departmental budget was reviewed  
23 and it was noted Water revenues are 58.7% collected; Sanitation revenues are  
24 54.7% collected and total General Fund revenues are 58.8% collected. District  
25 Service are 58.3% collected/expended. Expenditures for Water is at 53.1%,  
26 expenditures for Sanitation is 59.8%; and expenditures for the maintenance  
27 department at 50.5% for an overall Operations and Maintenance expenditure of  
28 56.3%.

The Board received the information. No action was necessary.

**ITEM NO. 1C) REVIEW OF FY 2010-2011 BUDGET PRIORITIES**

1 Mr. Chadd discussed current and upcoming projects which will affect the next  
2 fiscal year budget. Mr. Chadd requested input from each Director as to  
3 priorities and projects for FY 2010 - 2011. Discussion occurred in regard to  
4 information received from the Metropolitan Water District of Southern  
5 California (MET) from their March 9, 2010 Board Meeting which outlined three  
6 options for member agencies to discuss and provide input for MET's April 2010  
7 meeting. Also discussed was consideration for staff merit and/or cost of  
8 living increase. Mr. Chadd also reminded the board water and reclaimed water  
9 sales is weather driven and line breaks are always an unknown factor for  
10 budget consideration. Mr. Chadd will continue to work with staff to prepare  
11 a draft budget for fy 2010-2011 for the Boards review.

12 The Board received the information as presented and directed staff to  
13 provide an update at the time of the April 21, 2010 Regular Board Meeting

14 **ADJOURNMENT**

15 President Safranski adjourned the March 17, 2010 Special Board Workshop  
16 at 7:15 p.m.

17 Respectfully Submitted,

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19 Teresa Teichman  
20 Assistant Board Secretary  
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